

# HOLTZMAN & URQUHART

A PROFESSIONAL CORPORATION

ATTORNEYS AT LAW

600 CONOCO TOWER  
FIVE GREENWAY PLAZA

HOUSTON, TEXAS 77046  
TELEPHONE (713) 850-0511

September 27, 1985

Re: Remedial cleanup of Wallisville Road site, Houston, Harris  
County, Texas

VIA FEDERAL EXPRESS

Mr. David Sullivan  
(6ES-EF) U. S. Environmental  
Protection Agency, Region 6  
Emergency Response Branch  
1201 Elm Street  
Dallas, Texas 75270

*OLIN CORP - SP OLIVER  
TXD000607028*

Mr. Jim Haley  
Texas Department of  
Water Resources  
1700 North Congress Avenue  
Austin, Texas 78711

Mr. Fred Dalby  
Texas Department of  
Water Resources  
1700 North Congress Avenue  
Austin, Texas 78711

Mr. Clarence Johnson  
Texas Department of  
Water Resources  
4301 Center Street  
Deer Park, Texas 77536

958192



Gentlemen:

I refer to the letter to you from Fred Stumpf, Eureka's counsel, dated September 26, 1983.

Olin takes strong exception to the multitude of inaccurate and self-serving statements made by Mr. Stumpf in his letter and to his lack of candor. For instance, how can Eureka deny liability and responsibility for the cleanup at the site when Eureka is an owner of the site, Eureka knew before it purchased the site that Olin had operated a pesticide blending facility there, and Eureka caused the current potential problems at the site by indiscriminately demolishing buildings and storage tanks and bulldozing dirt and debris to the northeast corner of the site?

Further, Olin has not "consistently refused to cooperate with the regulatory authorities", as Mr. Stumpf contends. In fact, Olin has stood ready, willing and able to proceed in a joint cleanup effort at the site for quite some time. You will recall that by way of letter to Jim Haley dated September 3, 1985, Olin offered to provide the TDWR with a certified check in the amount of \$50,000, representing one-third of the approximate

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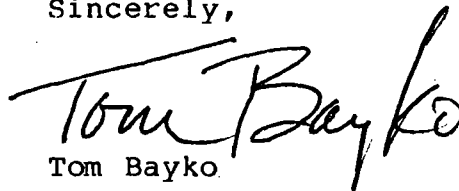
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cost of the cleanup. (See copy of that letter attached hereto.) Now that it appears the total cost of cleanup could run as high as \$210,000, Olin hereby offers to provide the EPA and/or the TDWR with a certified check in the amount of \$70,000, representing one-third of the approximate cost of the cleanup.

Following Eureka's lead, Olin "challenges" Eureka and Southern Pacific "to take responsibility," to act responsibly and to sign the enclosed Agreement for Joint Cleanup which I have been authorized to sign and have signed on behalf of Olin.

Enough said; however, if you are going to consider Mr. Stumpf's letter for any purpose, please advise me so that Olin can respond to that letter in detail.

Sincerely,

  
Tom Bayko

TB/mc

Attachment and enclosure

cc: Mr. Fred Stumpf  
Olivier, Stumpf, Falgout  
& Guynes  
1400 Post Oak Blvd.  
Suite 400  
Houston, Texas 77056  
(w/attach. and enc.)

Mr. Robert Maher  
Crain, Caton, James &  
Womble  
3300 Two Houston Center  
Houston, Texas 77010  
(w/attach. and enc.)

Mr. Louis Zimmerman  
Fulbright & Jaworski  
1150 Connecticut Ave. N.W.  
Washington, D. C. 20036  
(w/attach. and enc.)

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cc: Mr. Allyn Carnam  
Olin Corporation  
Research Center  
275 South Winchester Ave.  
New Haven, CT 06511  
(w/attach. and enc.)

Mr. Phil Haag  
Hooper, Robinson & Moeller  
706 Perry Brooks Bldg.  
Austin, Texas 78701  
(w/attach. and enc.)

AGREEMENT FOR JOINT CLEANUP

WHEREAS, Olin Corporation ("Olin"), Eureka Investment Company ("Eureka"), Mustang Tractor & Equipment Company ("Mustang"), and Southern Pacific Transportation Company ("SoPac"), hereinafter collectively referred to as "the companies," attended a conference called by the Texas Department of Water Resources ("TDWR") on February 20, 1985;

WHEREAS, the TDWR and, more recently, the Environmental Protection Agency ("EPA") suggested that the parties jointly clean up certain portions of allegedly contaminated property located at 7621 Wallisville Road, Houston, Texas *TB* ("the property");

WHEREAS the property is the subject of lawsuits entitled Eureka Investment Company v. Olin Corporation, Civil Action No. H-82-0306; Southern Pacific Transportation Company v. Eureka Investment Company and Mustang Tractor & Equipment Company, et al., Civil Action No. H-82-0316; consolidated cases in the United States District Court for the Southern District of Texas, Houston Division;

WHEREAS, Houston Belt and Terminal ("HB&T") is the owner of a railroad easement across a portion of the property;

WHEREAS, the companies desire to participate in a joint cleanup effort;

THEN KNOW ALL MEN BY THESE PRESENTS:

1. The companies -- Olin, Eureka, Mustang, and SoPac -- hereby RESOLVE and AGREE that they will participate in a joint cleanup operation of the property, as requested by the TDWR and the EPA. The details of this cleanup operation are outlined in the attached schedule entitled "Scope of Work."

2. Each company agrees to provide one-third of the expenses involved, as follows: one-third paid by Olin, one-third paid by Eureka and Mustang, and one-third paid by SoPac. The companies estimate that the total cost of the cleanup operation will be approximately Two Hundred <sup>Ten</sup>~~Forty~~ *TB*

\$210,000.00

TB

Thousand (\$210,000.00) Dollars. The failure of any company to pay its proportional part shall constitute a material breach of this agreement. For the purposes of this agreement only, Eureka and Mustang shall be jointly considered as one company.

3. The contractor, ~~yet to be named~~, <sup>Rollins Environmental Services</sup> who will perform the actual cleanup work, shall invoice each company for one-third of the expenses and costs involved in the contractor's work. Each company shall pay the contractor directly the company's proportional one-third share. (FS) TB Inc.

4. If any company should materially breach this agreement, either or both of the remaining companies, as well as the contractor, shall be entitled to bring a lawsuit against the party in breach and shall be entitled to recover the amount owed.

5. The execution of this agreement does not constitute any admission or acceptance of liability by the parties hereto nor do these parties admit that they violated any statute, rule, regulation, or other law of the State or of the TDWR or any statute, rule, regulation, or other law of the federal government or the EPA. Furthermore, nothing in this agreement shall constitute an admission by the parties hereto of any legal or factual matters set forth herein, which matters are specifically denied by these parties. Therefore, by signing this agreement, these parties do not admit, accept, or acknowledge any liability or fault with respect to any conditions at the property or with respect to any conditions that may develop from the cleanup effort proposed herein.

6. This agreement shall not affect, alter or modify, in any manner, the on-going litigation described above, except as are specifically stated and agreed to in paragraph 7 below. This agreement shall not be construed as a settlement or compromise of that litigation. Furthermore, nothing herein is intended to release or waive any claim, cause of action, defense, or demand, in law or in equity, that any party to this agreement may have against any person or entity, including without limitation any other party to this

agreement, for any liability that currently exists or may develop at any time in the future.

7. The issue of liability for 100% of the costs incurred in this joint cleanup effort, as set forth in paragraph 2 above, plus those costs incurred by the companies for engineering and technical experts and consultants for this cleanup project, may be submitted as an independent damages claim in the above-described litigation.

8. HB&T herein agrees to cooperate with the companies in the performance of the project. In this regard, the contractor shall notify HB&T of the contractor's schedule for completing the project. HB&T agrees to coordinate all of its activities within its railroad easement and across the property so as to not interfere with or hinder the companies' cleanup activities on the property. In this regard, and without limitation, HB&T shall permit the companies to come upon and cross HB&T's easement area at all necessary and reasonable times in the performance of the project, and HB&T agrees to reroute its trains from the easement area and/or to place flagmen at strategic locations along its railroad tracks in order to direct train traffic at times when the contractor needs access along or across HB&T's easement.

9. All the parties hereby agree to use their best efforts and to cooperate fully in effecting the proposed cleanup operation as expeditiously as possible.

10. This agreement shall be valid and effective only upon each and every named party's execution of this agreement. Failure of any of the companies or of HB&T to sign this agreement shall render this agreement null and void.

11. Unless terminated sooner by mutual written agreement of the parties hereto, this agreement shall terminate upon the completion of the project in accordance with the provisions of the schedule attached hereto entitled the "Scope of Work," except that the covenants and agreements of paragraph nos. 5, 6 and 7 shall survive.

12. This agreement contains the entire agreement of the parties hereto. This agreement shall not be modified or amended without the prior written agreement of all of the companies; and only paragraphs 8, 9, 10, 11 and 12 of this agreement shall not be modified or amended without the additional prior written agreement of HB&T.

13. This agreement shall be governed and construed in accordance with the laws of the State of Texas.

EXECUTED THIS 27th day of September, 1985.

OLIN CORPORATION

BY: Tom Bayko

THE STATE OF TEXAS §  
§  
COUNTY OF HARRIS §

BEFORE ME, the undersigned Notary Public, on this day personally appeared TOM BAYKO, attorney for OLIN CORPORATION, known to me to be the person whose name is subscribed above, and acknowledged to me that he executed the same for the purposes and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this 27th day of September, 1985.

Martha Corie  
Notary Public in and for  
The State of T E X A S

My Commission Expires:

11/14/88

EUREKA INVESTMENT COMPANY

BY: \_\_\_\_\_

THE STATE OF TEXAS §  
§  
COUNTY OF HARRIS §

BEFORE ME, the undersigned Notary Public, on this day personally appeared \_\_\_\_\_, \_\_\_\_\_ of SOUTHERN PACIFIC TRANSPORTATION COMPANY, known to me to be the person whose name is subscribed above, and acknowledged to me that he executed the same for the purposes and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this \_\_\_\_\_ day of \_\_\_\_\_, 1985.

\_\_\_\_\_  
Notary Public in and for  
The State of T E X A S

My Commission Expires:  
\_\_\_\_\_

HOUSTON BELT AND TERMINAL

BY: \_\_\_\_\_

THE STATE OF TEXAS §  
§  
COUNTY OF HARRIS §

BEFORE ME, the undersigned Notary Public, on this day personally appeared \_\_\_\_\_, \_\_\_\_\_ of HOUSTON BELT AND TERMINAL, known to me to be the person whose name is subscribed above, and acknowledged to me that he executed the same for the purposes and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this \_\_\_\_\_ day of \_\_\_\_\_, 1985.

\_\_\_\_\_  
Notary Public in and for  
The State of T E X A S

My Commission Expires:  
\_\_\_\_\_

NVG00000  
85258501



THE STATE OF TEXAS §  
§  
COUNTY OF HARRIS §

BEFORE ME, the undersigned Notary Public, on this day personally appeared \_\_\_\_\_, \_\_\_\_\_ of EUREKA INVESTMENT COMPANY, known to me to be the person whose name is subscribed above, and acknowledged to me that he executed the same for the purposes and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this \_\_\_\_\_ day of \_\_\_\_\_, 1985.

\_\_\_\_\_  
Notary Public in and for  
The State of T E X A S

My Commission Expires:  
\_\_\_\_\_

MUSTANG TRACTOR &  
EQUIPMENT COMPANY

BY: \_\_\_\_\_

THE STATE OF TEXAS §  
§  
COUNTY OF HARRIS §

BEFORE ME, the undersigned Notary Public, on this day personally appeared \_\_\_\_\_, \_\_\_\_\_ of MUSTANG TRACTOR & EQUIPMENT COMPANY, known to me to be the person whose name is subscribed above, and acknowledged to me that he executed the same for the purposes and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this \_\_\_\_\_ day of \_\_\_\_\_, 1985.

\_\_\_\_\_  
Notary Public in and for  
The State of T E X A S

My Commission Expires:  
\_\_\_\_\_

SOUTHERN PACIFIC  
TRANSPORTATION COMPANY

BY: \_\_\_\_\_